

Maine NRCS FY2013 Financial Assistance/Easement Program update

- **Status of FY2013 Program delivery outcomes**
 - **AMA:** 16 contacts for \$453,225
 - **CSP (2002 FB era):** Annual payments made on 27 contracts for a total of \$82,452
 - **CStP (2008 FB era):** 11 contracts for \$81,433 (This program only obligates funds for one year at a time). Annual payment on 126 prior year CStP contract for a total of \$616,385.
 - **EQIP:** 763 contracts for \$10,095,456
 - CAPS: 384 contracts for \$841,082 (Includes Organic and Energy, which will also be included in figures for those initiatives)
 - Of these, 259 are Forest Management Plans, totaling \$373,529
 - Organic: Total = 93 contracts for \$943,635, of which:
 - Certified = 33 contracts for \$519,772;
 - Transition = 60 contracts for \$423,863 (includes CAPs)
 - Seasonal High Tunnel: 124 contracts for \$990,337
 - On-Farm Energy: 26 contracts for \$62,668 (includes CAPs)
 - NE/NY Forestry: 70 contracts for \$1,979,995 (Does not include any CAPs)
 - Water Conservation (Irrigation): 10 contracts for \$917,507
 - National Water Quality: 13 contracts for \$502,766
 - State CIGs: 3 agreements for \$181,276
 - General EQIP: 106 contracts for \$3,947,237
 - **FRPP:** 7 landowners accepted easement offerings for \$1,140,000 on a total of 507 acres through agreements with 4 land trusts. One landowner deferred.
 - **WRP:** 5 properties were evaluated with only one determined as eligible. Offer was made, but declined by the landowners.
 - **WHIP:**
 - WLFW NE Cottontail: 4 contracts for \$139,640
 - Potential WHIP General (awaiting funds): 7 eligible applications for \$331,643
- **Options for FY2014 GRP and WRP acquisition \$/acres development:**
 - To develop easement FY2014 compensation that does not exceed the fair market value of the land, less the grazing value for a **GRP** conservation easement, there are three methods to consider:
 1. *The fair market value of the land.* The fair market value can be determined through either of two methods:
 - a. an area wide market analysis (AWMA)/survey or
 - b. an update of the prior year AWMA (Only available in the year following an initial AWMA) or
 - c. an individual Uniform Standards for Professional Appraisal Practice (USPAP) appraisal.
 2. *The Geographic Area Rate Cap (GARC).* The GARC reflects the value the State Conservationist, with the advice of the State Technical Committee, determines to be fair compensation for the value of the easement.
 3. A voluntary written offer by the landowner.
 - These options were available for setting the FY2013 values as well. Due to Maine's limited GRP enrollment in the past, Maine used option 1c, the individual appraisal method.

- **We are proposing the use of this method again in FY 2014.**
- To develop FY 2014 easement compensation values that do not exceed the fair market value of the land for a **WRP** conservation easement, there are three methods to consider:
 1. *The fair market value of the land.* The fair market value can be determined through either of two methods:
 - a. an area wide market analysis (AWMA)/survey or
 - b. an update of the prior year AWMA (Only available in the year following an initial AWMA) or
 - c. an individual Uniform Standards for Professional Appraisal Practice (USPAP) appraisal.
 2. *The Geographic Area Rate Cap (GARC).* The GARC reflects the value the State Conservationist, with the advice of the State Technical Committee, determines to be fair compensation for the value of the easement.
 3. A voluntary written offer by the landowner.
- These options were available for setting Fy2013 values as well. Due to the high cost of contracting a full AWMA, Maine used option 1b-an update of the 2012 AWMA.
- Because Maine cannot use option 1b again, the high cost of contracting a full AWMA, and because we historically have very few WRP eligible easement offerings/year, **we are proposing the use of option 1c, the individual appraisal method, for developing the 2014 WRP compensation values.**
- **Release of draft FY2014 State Ranking Elements for STTC review and input: See attached.**
 - Please submit comments to susan.arrants@me.usda.gov by Friday, October 18, 2013
- **FY 2014 payment schedule update**
- **FY2014 EQIP funding pool proposals: See attached**
- **Proposed use of FY2014 AMA funds**
 - AMA appropriations for NRCS are usually relatively small and are divided among 16 states that historically have very low enrollment in crop insurance.
 - Under the current rules/policy, EQIP funds cannot be used to bring new land under irrigation. EQIP funds can only be used to replace existing irrigation systems with more efficient systems or to provide improvements to existing systems or, under certain circumstances, to establish or replace water sources.
 - In the past several years, AMA funds have filled a niche in Maine to fund new irrigation projects on land that has not been irrigated.
 - **We propose to continue the use of AMA funds for irrigation projects in Maine again for 2014.**